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[Proposed] Lead Counsel for Plaintiff

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
ANNMARIE MALLOZZI, INDIVIDUALLY AND  
ON BEHALF OF ALL OTHERS SIMILARLY SITUATED,

CASE No.: 07-CV-10321 (GBD)

**REPLY DECLARATION OF  
PHILLIP KIM**

Plaintiff,

CLASS ACTION

vs.

INDUSTRIAL ENTERPRISES OF AMERICA, INC.;  
JOHN MAZZUTO; JORGE YEPES; DENNIS O'NEILL;  
and JAMES MARGULIES,

Defendants.  
-----X

**REPLY DECLARATION OF PHILLIP KIM**

Phillip Kim, hereby declares under penalty of perjury:

1. I am an attorney with the Rosen Law Firm, P.A. [Proposed] Lead Counsel in this action and have personal knowledge of the facts set forth herein. I am duly admitted to practice law in the State of New York and before this Court. I make this Reply Declaration in further support of Plaintiff Carl Meisner's motion for appointment as Lead Plaintiff and in further Opposition to the competing lead plaintiff motion filed by the Goldenberg Group consisting of Ron Goldenberg and Carl Haeussler.

2. Earlier today, a notice of partial withdrawal of IEAM Investors motion for Lead Plaintiffs was filed with the Court. That notice withdraws Steve Rash as one of the proposed Lead Plaintiff movants of the IEAM Investors, based upon Mr. Rash's request during my meeting with Mr. Rash in Manhattan this morning.

3. During the in-person meeting today, Mr. Rash, a resident of Texas, informed me that he intends assist in the prosecution of the Class Action, but due to changed circumstances, he has decided not to seek appointment as one of the Lead Plaintiffs. However, based on his significant losses in IEAM stock during the class period Mr. Meisner pledged to the undersigned his continued cooperation and participation in the case.

4. Any suggestion that Mr. Rash does not exist, or that he did not submit the electronic PSLRA certification, is without merit and should not be countenanced by the Court.

5. A true and correct copy of Mr. Meisner's paper version of his electronic certification he submitted to the Rosen Law Firm is attached hereto as Exhibit 1.

I declare under penalty of perjury that the foregoing is true and correct.

Executed: February 14, 2008

/s/ Phillip Kim  
Phillip Kim

**CERTIFICATE OF SERVICE**

I hereby certify that on this 14<sup>th</sup> day of February 2008, a true and correct copy of the foregoing document was served by CM/ECF to the parties registered to the Court's CM/ECF system.

/s/ Phillip Kim

PLEASE FAX CERTIFICATION TO ROSEN LAW FIRM: (212) 202-3827



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History for account XXXX-6831 as of 11/24/2007 09:35:10 EDT for 12/04/2006 to 11/24/2007

| Date       | Action | Quantity | Symbol | Description           | Price    | Amount    | Fees & Comm |
|------------|--------|----------|--------|-----------------------|----------|-----------|-------------|
| 04/30/2007 | Sell   | 25.0000  | IEAM   | INDL ENTS OF AMER NEW | \$6.5000 | \$161.06  | \$1.44      |
| 04/30/2007 | Sell   | 100.0000 | IEAM   | INDL ENTS OF AMER NEW | \$6.5000 | \$644.23  | \$5.77      |
| 04/30/2007 | Sell   | 100.0000 | IEAM   | INDL ENTS OF AMER NEW | \$6.5000 | \$644.23  | \$5.77      |
| 12/05/2006 | Buy    | 24.0000  | IEAME  | INDL ENTS OF AMER NEW | \$4.7400 | -\$115.14 | \$1.38      |
| 12/05/2006 | Buy    | 201.0000 | IEAME  | INDL ENTS OF AMER NEW | \$4.7400 | -\$954.31 | \$11.57     |

0006-5926

Brokerage Products: Not FDIC Insured • No Bank Guarantee • May Lose Value

Today's Date: 11/24/07 09:35 AM EST

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*Carl -  
M. Eisner*



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Sat Nov 24 2007 9:06:01 AM EST

## History &amp; Statements

Transactions

Statements

Confirmations

Tax Center

Type: All transactions types

Symbol(s): ieam [Symbol lookup](#)

(separate symbols with commas)

View last: [1 day](#) [7 days](#) [14 days](#) [60 days](#)

View date/range

from: November 25 2006

to: November 24 2007 [View](#) or [Download](#)

Search results for 11/25/2006 to 11/24/2007

| Date/Time           | Description                         |    |
|---------------------|-------------------------------------|----|
| 05/15/2007 13:35:54 | Bought 2000 IEAM @ 5.55 = 11,109.99 | -1 |
| 06/08/2007 09:30:13 | Bought 600 IEAM @ 5.1 = 3,069.99    | -  |
| 11/14/2007 14:10:06 | Sold 2600 IEAM @ 0.75 = 1939.98     | -  |

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Sat Nov 24 2007 9:03:08 AM EST

## History & Statements

|              |            |               |            |
|--------------|------------|---------------|------------|
| Transactions | Statements | Confirmations | Tax Center |
|--------------|------------|---------------|------------|

Type: All transactions types

Symbol(s): ieam Symbol lookup

(separate symbols with commas)

View last: 1 day 7 days 14 days 60 days

View date/range

from: January 1 2007

to: November 22 2007

View

or

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Search results for 11/1/2007 to 11/22/2007

| Date/Time           | Description            |
|---------------------|------------------------|
| 05/15/2007 13:35:42 | Bought 100 IEAM @ 5.55 |

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Sat Nov 24 2007 9:18:38 AM EST

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Tax Center

Type:

All transactions types

Symbol(s):

ieam

Symbol lookup

(separate symbols with commas)

View last: [1 day](#) [7 days](#) [14 days](#) [60 days](#)

View date/range

from: May 16 2007

to: November 24 2007  or 

Search results for 5/16/2007 to 11/24/2007

| Date/Time ▲         | Description             |    |
|---------------------|-------------------------|----|
| 05/16/2007 13:02:05 | Bought 1500 IEAM @ 5.49 | -8 |
| 11/14/2007 14:04:13 | Sold 1500 IEAM @ 0.75   | 1  |

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Sat Nov 24 2007 9:16:18 AM EST

## History & Statements

|              |            |               |            |
|--------------|------------|---------------|------------|
| Transactions | Statements | Confirmations | Tax Center |
|--------------|------------|---------------|------------|

Type: All transactions types

Symbol(s): ieam Symbol lookup

(separate symbols with commas)

View last: 1 day 7 days 14 days 60 days

View date/range

from: November 25 2006

to: November 24 2007

View or Download

Search results for 11/25/2006 to 11/24/2007

| Date/Time           | Description            |    |
|---------------------|------------------------|----|
| 05/16/2007 13:02:24 | Bought 250 IEAM @ 5.48 | -1 |

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|--------------|------------|---------------|------------|
| Transactions | Statements | Confirmations | Tax Center |
|--------------|------------|---------------|------------|

Type: Symbol(s):  [Symbol lookup](#)

(separate symbols with commas)

View last: [1 day](#) [7 days](#) [14 days](#) [60 days](#)

View date/range

from:   to:   

or

Search results for 11/25/2006 to 11/24/2007

| <a href="#">Date/Time</a> | Description             |    |
|---------------------------|-------------------------|----|
| 05/16/2007 13:01:49       | Bought 1000 IEAM @ 5.52 | -5 |
| 11/14/2007 14:10:06       | Sold 1000 IEAM @ 0.75   |    |

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Type:

All transactions types

Symbol(s):

ieam

[Symbol lookup](#)

(separate symbols with commas)

View last: [1 day](#) [7 days](#) [14 days](#) [60 days](#)

View date/range

from:

May

16

2007

to:

November

24

2007

View

or

Download

Search results for 5/16/2007 to 11/24/2007

| Date/Time           | Description             |        |    |
|---------------------|-------------------------|--------|----|
| 05/16/2007 09:30:03 | Bought 1500 IEAM @ 5.53 | 830499 | -8 |
| 06/08/2007 09:30:13 | Bought 300 IEAM @ 5.1   | 153999 | -1 |
| 11/14/2007 14:04:13 | Sold 1800 IEAM @ 0.75   | 133998 | 1  |

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